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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/790,565	03/01/2004	Christine S. Vincent	26271-xx	9858

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EXAMINER
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LEVINE, ADAM L

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 08/12/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

10/790,565

Applicant(s)

VINCENT ET AL.

Examiner

Adam Levine

Art Unit

3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 21 March 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☐ Claim(s) 3,4,8,10,17,20-33 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 3,4,8,10,17 and 20-33 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 01 March 2004 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

### **DETAILED ACTION**

This First, Non-Final Office Action is directed toward Application Number 10/790,565, a Divisional Application of 09/853,240. Claims 1,2,5-7,9,11-16,18, and 19 have been cancelled by preliminary amendment. Claims 3,4,8,10,17, and 20-33 are examined in this action.

#### ***Oath/Declaration***

The oath or declaration is defective. A new oath or declaration in compliance with 37 CFR 1.67(a) identifying this application by application number and filing date is required. See MPEP §§ 602.01 and 602.02.

The oath or declaration is defective because:

The specification and claims to which the oath or declaration is directed has not been adequately identified. See MPEP § 602.

It does not identify the citizenship of each inventor.

#### ***Specification***

The lengthy specification has not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification.

***Claim Objections***

Claims 20-22, 27-29, and 33 are objected to because of the following informalities: Claims 20, 22, 27, and 33 refer to "said client identifier" when they appear to intend reference to a previously introduced "customer identifier." If this is not applicants' intent, then "client identifier" lacks appropriate antecedent basis. For purposes of examination, it is assumed the "client identifier" and the "customer identifier" are the same. Claims 28-30 refer to "said client." There is insufficient antecedent basis for this limitation in the claims. Again, this may have intended reference to the previously introduced "customer." Appropriate correction is required.

***Claim Rejections - 35 USC § 101***

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

**Claims 3, 4, 8, 10, 22, and 31-33 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to

promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Moreover, the courts have found that a claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer. See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). Finally, the Board of Patent Appeals and Interferences (BPAI) has recently affirmed a §101 rejection finding the claimed invention to be non-statutory based on a lack of technology. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

As to technological arts recited in the preamble, mere recitation in the preamble (i.e., intended or field of use) or mere implication of employing a machine or article of manufacture to perform some or all of the recited steps does not confer statutory subject matter to an otherwise abstract idea unless there is positive recitation in the claim as a whole to breathe life and meaning into the preamble.

In the present case, the mere recitation in the preamble that the invention is "a method for electronic commerce over a network," or that the systems and methods otherwise take place over a network, is insufficient to confer statutory subject matter upon the otherwise abstract ideas. The implication of employing a machine or article of manufacture to perform some or all of the recited steps does not by itself confer

statutory subject matter on otherwise abstract ideas. More positive recitation is needed in the claim as a whole. While the "exchange" may have been intended to refer to a technological device or article of manufacture, the "exchange" is not sufficiently described in either the specification or the claims to provide the necessary support for that conclusion.

Because the present subject matter is not within the technological arts, we do not reach the issue of whether it produces a useful, concrete, and tangible result.

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

**2. Claims 3, 4, 8, 10, 17, and 20-33 are rejected under 35 U.S.C. 102(b) as being anticipated by Shavit (US Patent No. 4,799,156).**

Shavit teaches all the limitations of Claims 3, 4, 8, 10, 17, and 20-33. For example, Shavit discloses transmitting order entry data and other transactional data between customers, dealers, manufacturers, and various other potential parties through an exchange, coordinating product orders and distribution over a network (see at least Abstract, Fig. 2, column 1 line 61-column 2 line 5). Shavit further discloses:

- transmitting an order entry data set from a customer to an exchange wherein said order entry data set comprises a product identifier, product

volume, and customer identifier: a communication device for receiving the order entry data set wherein the order entry data set also comprises at least one customer identifier; order entry data set includes more than one product identifier, volume and price for products manufactured by more than one manufacturer with specific price relationships with more than one customer (see at least column 12 line 54 – column 14 line 27).

- determining a manufacturer from said product identifier: (see at least column 10 line 58-column 11 line 10).
- transmitting a manufacturer specific order from said exchange to said manufacturer wherein said manufacturer specific order comprises product identifier, product volume and customer identifier: a communication device for receiving a manufacturing specific order over a network from an exchange; communication device further transmits a manufacturer specific order to manufacturer; a communication device that transmits a second manufacturers specific order to a second manufacturer with a second product identifier and a second product volume and a customer identifier; (see at least Abstract, column 1 line 24- column 2 line 5; column 13 line 10 – column 14 line 27).
- transmitting a product availability request from said manufacturer to a dealer wherein said product availability request comprises product identifier, product volume, and customer identifier: a second communication device for transmitting the product availability request

(see at least column 1 lines 44-60; column 14 line 63 – column 15 line 17.

Please note: to “interact” as described in Shavit inherently includes communication in both directions, i.e., from manufacturer to dealer and from dealer to manufacturer.).

- transmitting an availability report from said dealer to said manufacturer wherein said availability report comprises a dealer price adjustment: a third communication device for receiving an availability report from said dealer wherein said availability report also comprises a dealer availability index (see at least column 12 line 27-column 13 line 9, column 25 lines 28-50).
- transmitting a manufacturer confirmation report from said manufacturer to said exchange wherein said manufacturer confirmation report comprises an availability index derived from said availability report and a customer price derived from said dealer price adjustment: a fourth communication device for transmitting the confirmation report; manufacturers confirmation report further comprises a second availability index derived from a second availability report from a second dealer; communication device also receives manufacturers confirmation report from said manufacturer; communication device can receive second manufacturers confirmation report from second manufacturer with second availability index derived from a second dealer availability index for a second product and a second customer price derived from a second dealer price adjustment and said



- second specific contractual price relationship (see at least Abstract, Fig. 2, column 15 line 61- column 16 line 10, column 33 line 28-column 34 line 2).
- transmitting a product order confirmation from said exchange to said customer wherein said product order confirmation comprises said manufacturers confirmation report: also wherein said product order confirmation comprises a second manufacturers confirmation report from a second manufacturer; a communication device further transmits a purchase order confirmation comprising price and availability index to customer, or a second customer price and said second availability index (Abstract, Fig. 2, column 33 line 28-column 34 line 2).
  - transporting a product corresponding to product identifier from said dealer to said customer: dealer delivers product to customer (column 6 lines 19-51, column 11 lines 11-21).
  - transferring purchase funds from said customer to said dealer wherein said purchase funds correspond to said customer price, and transferring manufacturer funds from said dealer to said manufacturer: customer compensates dealer for product (see at least column 8 line 55-column 9 line 6, column 14 lines 28-62, column 17 lines 29-51, column 26 lines 29-49).
  - transmitting a purchase order from said customer to said exchange prior to said transporting a product further comprising transmitting a dealer purchase order from said exchange to said dealer: further comprising

transmitting a purchase confirmation from said exchange to said manufacturer, further comprising transmitting a dealer purchase order from said manufacturer to said dealer; a fifth communication device for receiving a purchase confirmation from said exchange; receiving a purchase order from said customer; purchase confirmation comprises products distributed by dealer; communication device transmits dealer purchase order to dealer, comprises products distributed by dealer (Abstract, Fig. 2, column 1 lines 24-43, column 2 lines 20-36, column 5 line 66-column 6 line 51, column 23 line 66 – column 24 line 26, column 28 lines 40-56).

- a processor for determining customer price from contractual price relationship, dealer price adjustment and availability index derived from said dealer availability index and a manufacturers inventory: (see at least column 2 lines 6-36, column 12 line 54-column 14 line 9); a content rich catalog server addressable by client through a catalog server (see at least Abstract, column 7 lines 6-22, column 13 lines 10-34, column 17 line 52 – column 18 line 52-68, column 24 line 53 – column 24 line 9).

Pertaining to method Claims 3,4,8,10,22,31-33, and system Claims 17,20,21, and 23-30

Rejection of Claims 3,4,8,10,17, and 20-33 is based on the rationale as noted above.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Pauly, US Patent No. 4,958,280; Sept. 18, 1990. Teaches systems and methods for the filling of prescriptions of disposable contact lenses using central ordering/inventory computer associated with satellite PCs allowing merger of orders, updates, etc.. Allows maintenance of shared databases and history files for eye care professionals and manufacturers.
- Allsop, US Patent No. 5970,472; Oct. 19, 1999. Teaches method and system for authorized dealers to provide customized interfaces for manufacturers' products, uses shared databases, interchange of information between customers, dealers and manufacturers.
- Sharp, US Patent No. 6,263,317; July 17, 2001. Web Sales Channel Conflict Resolution System. Teaches system and method allowing interaction of customers, distributors and manufacturers so that orders can be allocated without violating existing distribution channels.
- Zeiger, Anne; Networked Business: Welcome to the New Order, Feb. 2, 1998, [www.internetweek.com/trends/backup/0202.htm](http://www.internetweek.com/trends/backup/0202.htm), pp.1-3; [www.internetweek.com/trends/backup/0202a.htm](http://www.internetweek.com/trends/backup/0202a.htm), pp.1-3. Teaches sharing of internet-based network between customers, suppliers, and manufacturers or service providers.

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Adam Levine whose telephone number is 571.272.8122. The examiner can normally be reached on M-F, 8:30-5:00 Eastern.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn W. Coggins can be reached on 571.272.7159. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Adam Levine  
Patent Examiner  
August 5, 2005

  
Y. C. Gao  
Primary Examiner